

## **City of Reno Legislative Relations**

## PROPOSED AMENDMENT:

PROPOSED REGULATIONS ON MEDICAL MARIJUANA ESTABLISHMENTS – DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

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- Purpose of Proposed Amendment:
  - 1) Section 26, subsection 13: limit applicability of this provision to local governments that have enacted zoning restrictions specific to medical marijuana establishments above and beyond the restrictions identified in NRS 453A.350(1).

EXPLANATION – Matter in *green bold italic underlining* is new language proposed in this amendment.

**Sec. 26.** An applicant that responds to a request for applications to operate a medical marijuana establishment issued pursuant to section 25 of this regulation must include with its response:

- 1. The one-time, nonrefundable application fee of \$5,000.00.
- 2. An application on a form prescribed by the Division as set forth in subsection 2 of NRS 453A.322. The application must include, without limitation:
- (a) Whether the applicant is applying for a medical marijuana establishment registration certificate for an independent testing laboratory, a cultivation facility, a facility for the production of edible marijuana products or marijuana-infused products, or a medical marijuana dispensary;
  - (b) The legal name of the proposed medical marijuana establishment;
- (c) The type of business organization of the applicant, such as individual, corporation, partnership, limited liability company, association or cooperative, or any other business organization;
- (d) Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business, and the articles of incorporation, articles of organization, or partnership or joint venture documents of the applicant;
- (e) The physical address where the proposed medical marijuana establishment will be located and the physical address of any co-owned additional or otherwise associated medical marijuana establishments;
  - (f) The mailing address of the applicant;
  - (g) The telephone number of the applicant;
  - (h) The email address of the applicant;

- (i) If the applicant is applying for a medical marijuana establishment registration certificate to operate a medical marijuana dispensary, the proposed hours of operation during which the dispensary plans to be available to dispense medical marijuana to patients who hold valid registry identification cards or to the designated primary caregivers of such patients;
- (j) An attestation that the information provided to the Division to apply for the medical marijuana establishment registration certificate is true and correct; and
- (k) The acceptable signatures as defined by the Division of the officers of the establishment as set forth in subsection 1 of section 23 of this regulation, as applicable for that establishment, and the dates on which they signed.
- 3. Documentation from an in-state or out-of-state financial institution which demonstrates:
- (a) That the applicant has at least \$250,000 in liquid assets as required pursuant to sub-subparagraph (III) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322, which are unencumbered and can be converted within 30 days after a request to liquidate such assets; and
  - (b) The source of those liquid assets.
- 4. Evidence of the amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions within the last five years by the applicant or the persons who are proposed to be owners, officers or board members of the proposed establishment to assist the Division in considering the criteria of merit set forth in subsection 9 of NRS 453A.328.
- 5. A description of the proposed organizational structure of the proposed medical marijuana establishment including, without limitation, the following:
- (a) An organization chart showing all owners, officers and board members of the medical marijuana establishment;
- (b) A list of all owners, officers and board members of the medical marijuana establishment that contains the following information for each individual:
  - (1) Title of the individual;
  - (2) A short description of the role the individual will serve in for the organization and the responsibilities of the position of the individual;
  - (3) Whether the individual has in the past served or is currently serving as an owner, officer or board member for another medical marijuana establishment;
  - (4) Whether the individual has served as an owner, officer or board member for a medical marijuana establishment that has had its medical marijuana establishment registration certificate revoked;
  - (5) Whether the individual has previously had a medical marijuana establishment agent registration card revoked;
  - (6) Whether the individual is a physician currently providing written documentation for the issuance of registry identification cards;
    - (7) Whether the individual is a law enforcement officer;
  - (8) Whether the individual is currently an employee or contractor of the Division; and
  - (9) Whether the individual has an ownership or financial investment interest in any other medical marijuana establishment.
- 6. For each owner, officer and board member of the proposed medical marijuana establishment:
- (a) An attestation signed and dated by the owner, officer or board member that the owner, officer or board member has not been convicted of an excluded felony offense;

- (b) A narrative description, not to exceed 500 words, demonstrating past experience working with government agencies and demonstrating past community involvement; and (c) A resume highlighting the following:
  - (1) Any previous experience at operating other businesses or non-profit organizations;
    - (2) His or her educational achievements; and
  - (3) Any demonstrated knowledge or expertise with respect to the compassionate use of marijuana to treat medical conditions.
- 7. To assist the Division in considering the criteria of merit set forth in subsection 7 of NRS 453A.328, documentation concerning the adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana, including, without limitation, building and construction plans with supporting details.
- 8. To assist the Division in considering the criteria of merit set forth in subsection 8 of NRS 453A.328, the integrated plan of the proposed medical marijuana establishment for the care, quality and safekeeping of medical marijuana from seed to sale, including, without limitation, a plan for testing and verifying medical marijuana, a transportation plan, and procedures to ensure adequate security measures, including, without limitation, building security and product security.
- 9. A business plan which includes, without limitation, a description of the electronic verification system and inventory control system of the proposed medical marijuana establishment to satisfy the requirements of sub-subparagraph (II) of subparagraph (3) of paragraph (a) of subsection 3 of NRS 453A.322.
- 10. To assist the Division in considering the criteria of merit set forth in subsection 1 of NRS 453A.328, a financial plan which includes, without limitation:
  - (a) Financial statements showing the resources of the applicant;
- (b) If the applicant is relying on funds from an owner, operator or partner, evidence that such person has unconditionally committed such funds to the use of the applicant; and
- (c) Proof that the applicant has adequate funds to cover all expenses and costs of the first year of operation.
- 11. Evidence that the applicant has a plan to staff, educate and manage the proposed medical marijuana establishment on a daily basis, which must include, without limitation:
- (a) A detailed budget for the proposed establishment, including pre-opening, construction and first year operating expenses;
- (b) An operations manual that demonstrates compliance with the rules of the Division;
- (c) An education plan which must include, without limitation, providing educational materials to the staff of the proposed establishment; and
  - (d) A plan to minimize the environmental impact of the proposed establishment.
- 12. To assist the Division in considering the criteria of merit set forth in subsections 6 and 7 of NRS 453A.328, a proposal demonstrating:
- (a) The likely impact of the proposed medical marijuana establishment in the community in which it is proposed to be located; and
- (b) The manner in which the proposed medical marijuana establishment will meet the needs of the persons who are authorized to engage in the medical use of marijuana.
- 13. If a local government in which a proposed medical marijuana establishment will be located has not enacted zoning restrictions <u>concerning medical marijuana establishments</u>, and the applicant is not required to secure approval that the applicant is in compliance with such restrictions, a professionally prepared survey demonstrating that the applicant has

satisfied all the requirements of NRS sub-subparagraph (II) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322.

14. A response to and information to support any other criteria of merit the Division determines to be relevant.